GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4177
ANSWERED ON:14.12.2001
SUBSIDY TO COMPANIES BANKS
SUNDER LAL TIWARI

Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government has been drawn to the news-item captioned `Companion va Banko ko 38 Arab ki paroksh subsidy` appearing in the `Rashtriya Sahara` dated 21 August, 2001;

(b) if so, the reaction of the Government thereto;

(c) the ground in which the subsidy was given and the date when it was given; and

(d) the amount of the subsidy given, bank-wise ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a): Yes, Sir.

(b)&(c): In so far as the nationalised banks are concerned, Government has not given any subsidy to them. However, Government as owners of these banks, had been contributing to their capital from time to time to enable them to meet their operational requirements and comply with the capital adequacy norms prescribed by Reserve Bank of India (RBI).Government has so far contributed Rs.20446.12 crores towards the capital of the nationalised banks. The nationalised banks have been paying dividend to the Government out of their profits and have paid Rs.464.89 crores and Rs.504.88 crores to the Government as dividend during the last two years viz. 1999-2000 and 2000-2001, respectively.

(d): The amount invested by the Government of India in the capital of the nationalised banks, bank-wise, is given in the Annexure.